

INDIAN INSTITUTE OF PUBLIC ADMINISTRATION



ADMINISTRATION, THEN AND NOW

LECTURE

DELIVERED ON MARCH 19, 1960

BY

DR. C. P. RAMASWAMI AIYAR

PRESIDENT

THE INDIAN ACADEMY OF ECONOMICS

IIPA LIBRARY



4772



INDRAPRASTHA ESTATE, RING ROAD
NEW DELHI - 1

B

19

ADMINISTRATION, THEN AND NOW

(Text of the public lecture delivered under the auspices of the Indian Institute of Public Administration on the 19th March, 1960, by Dr. C.P. Ramaswami Iyer, President, the Indian Academy of Economics. Sir T. Krishnamachari, Deputy Chairman, Planning Commission, presided.)

I regard it as a great opportunity to speak as I do today under the chairmanship of Shri V.T. Krishnamachari who represents alike in himself, the old order of administration, the transition period and the new regime. He was a member of what is called the 'steel frame' and has had considerable district and land revenue and Secretariat experience. He has also distinguished himself in the service of a leading Indian State (Baroda), and after Independence, he has been associated both with Constitution-making and with the various forms of planning devised by the present administration in India.

One of the first points to be borne in mind in speaking of administration is the difference between what is called a Police State and a Welfare State. The contrast may perhaps be expressed as one that exists between the ideal of administration and the ideal of planning. One of the greatest of Western political thinkers, Aristotle, defined the functions of Government as comprising: (1) procurement of food, (2) promotion of arts and industries, (3) the devising and utilisation of arms for internal and external use, (4) the gathering of revenues both for internal administration and for warfare when necessary, and (5) the indispensable care of religion and worship which alone will make for the stability of a State. Finally, Aristotle regarded it as incumbent on an administration to have and to exercise the power of deciding what is in public interest in the matter of justice and the dealings of men with each other. Apart from these elements, Aristotle inclined to the view that Government should let people decide for themselves what is best for

them. This doctrine has sometimes been called the *laissez faire* theory and has been cynically stated to be the triumph of "‘never mind’ over ‘does not matter’".

The East India Company and the British administration, until the Montagu-Chelmsford reforms, were largely influenced by the doctrines of Locke, Adam Smith, Mill; and other thinkers of the 17th and 18th centuries who, in the main, followed Aristotle’s maxims. New demands and the rise of an industrial civilisation brought in the influx of new ideas and demanded a new treatment. The Secretariat and the district administration of the past were found to be inadequate to deal with the developing situation. One recent result of this changed outlook was the appointment by the British Government of the Wheeler Committee (of which I was a member) designed to deal with the problem of the re-organisation of office procedure and Secretariat methods to fit the new environment.

The I.C.S., which was entrenched in power until the twenties of this century, held strongly the view that free-trade and the policy of *laissez faire* were as good for India as they were for England, forgetting, in this respect, that England was a highly protectionist country when she had to compete with Spain and France and reconstruct her economy. The old administration also overemphasised the importance of gradualness and was firmly wedded to a narrow theory of financial and budgetary economy. It believed in Sam Weller’s maxim that if a man had an income of a pound a week and spent 19s. 6d. he was on the right path whereas if he spent 20s. 6d. he trod the primrose path to perdition. In the result, anything like deficit financing was frowned upon and administrations were judged in terms of their ability to budget for a surplus. New policies and new schemes were therefore met not only by an attitude of inertia and *laissez faire* but with active opposition. To give an example, the Cauvery Irrigation Scheme of Madras, (generally known as the Mettur Project), was considered, debated upon and shelved consistently for over 70 years before I had the opportunity, as a Member of the Madras Government, to take it up and pursue it to a finish. When I advanced

the theory that, in the long run, it was wiser to budget for a deficit and to initiate such a project and, if necessary, to float a large public loan for the purpose, the first reaction was one of consternation followed by scepticism. Sir Seshadri Iyer, when he started the hydro-electric scheme in Mysore, was strongly opposed by the Governmental authorities in Simla; and the Maharaja of Mysore was warned that his Dewan was plunging the country into financial chaos. Even much later, when the first Fertiliser Factory in India was started by me as Dewan of Travancore, the Central Government gravely doubted whether the policy of importing fertilisers was not the right one and whether it was not risky to start a competitive factory in India in the face of giant combines like the I.C.I. My own Secretaries, trained in the maxims of the I.C.S., wrote strong notes advocating a policy of hastening slowly. Whether it was the improvement of the Tuticorin or the Cochin harbour or the starting of an Aluminium industry in the South of India, the same difficulty arose by reason of a resistance to anything that was termed rashly speculative and spectacular. It must, however, be conceded that even though the I.C.S. and the Provincial Service officials were opposed to the ideology of lay administrators, nevertheless, the British tradition of loyally carrying out orders which was a heritage of English public life, prevailed and it gives me great pleasure to make public my appreciation of the manner in which the service personnel in the Secretariat and in various departments concerned, carried out policies with which they may have been in disagreement. My experience has been shared by other Indian administrators in different parts of India—especially in Bombay and the Punjab. It must also be stated that the public servants of the past kept their differences with the Minister or Member of the Government absolutely secret and confidential. The difference between the Secretaries and the Members never saw the light of day, as a rule. In the result, the Minister or Member, no doubt, got the credit for his schemes even though most of the details were worked out by his subordinates; but, on the other hand, the Member or Minister was expected to bear all the blame when anything went wrong. This was a redeeming feature

of the past regime and these traditions are equally essential in the present day especially when we realise that there is a tendency on the part of the Ministers on critical occasions to take the credit when it accrues and to throw the blame on the permanent services when the Law and Order situation deteriorates or schemes turn out to be ill-conceived or unprofitable. It was very rarely the case under the old administration, for a Minister, after having ordered or acquiesced the firing on a crowd by the police, to turn round and to throw the whole blame on the local officers and to consent to or even urge a judicial enquiry whenever the public demand becomes clamant. The idea of the Minister resigning when his policy is disapproved of by the public or by Parliament, deserves to be as much a feature of Indian administration as it certainly is in the United Kingdom.

Another aspect of the late administration which is not always kept in view is that the foreign Government, realising its handicaps and its inability adequately to feel the pulse of the public, was perhaps even more sensitive to public and journalistic criticism than the administration of today buttressed, as it very often is, by the might of the party in power. It is not too much to say that popular Governments, especially when they are backed by a majority in the legislature, tend to be less sensitive to isolated minority criticism than the past administration was. On the other hand, it cannot but be maintained that the administration of the East India Company and of the British Government that succeeded it tended to be very solicitous of vested interests especially when they were of British origin. The Railway policy of the past, the neglect of inland navigation, the reluctance to adopt a protectionist policy in the case of nascent industries, the delay and blocking of large-scale schemes when they were likely to affect British interests —these are items which cannot be ignored. In saying this, I am not unaware of the pioneering efforts in irrigation, agriculture and co-operation of exceptional men like Sir Henry Cotton, Sir Frederick Nicholson and the Lawrences.

In the matter of social legislation, the British administration of the past was, in pursuance of the idea already

outlined by me, most averse to do anything which might arouse religious opposition or engender religious frenzy. The Indian Mutiny effectively threw cold water on legislative programmes affecting social progress. After the abolition of *Sati* and perhaps in view of the opposition engendered by it and by one or two other experiments, questions like the uplift of the depressed classes, like the entry of Harijans into temples, like the raising the age of marriage, like making any change in the Hindu and Muslim personal law, were regarded in the light of dangerous gun powder factories which had to be viewed from a distance and not too easily approached. It required the influential persuasion of Macaulay, the appeal of the Missionaries and the determined advocacy of men like Raja Ram Mohan Roy even to alter the old system of Patasalas and Maqtabas and to introduce education through the medium of the English language on Western lines.

The administration of today proceeds on quite different lines and is based on the newly-developed and fast-growing doctrine of the Welfare State. The influence of Karl Marx and the progress achieved by Communist countries and under totalitarian regimes have made their influence felt though it is not always acknowledged. Government today is conducted largely through discussions in the legislature and through interpellations and by public business conducted in the open. Press conferences, radio talks, mass appeals and deputations and delegations travelling to and from foreign countries are of the essence of the present-day administration. It has become necessary to keep a number of projects before the public eye so that representatives of various localities may be satisfied that they are not neglected. Regional demands and party claims tend to become clamant and sometimes gain supremacy over the pursuit of an all-India or even a comprehensive State policy. On the other hand, the growth of the financial power in the Centre, and the development of new sources of taxation (in the shape of income-tax, customs, excises and so forth) tend to vest financial supremacy in the Centre. Thus, every State is constantly demanding and is dependent on

financial doles and encouragement from the Central exchequer. State budgets are often so framed as to result in deficits in the hope that development projects will be financed by the Centre. There is a tendency on the part of State Governments to bow down rather indiscriminately to regional demands. If a steel project is started in State 'A', State 'B' demands that there should be one within its borders irrespective of natural advantages or facilities. Every State practically insists on a separate hydro-electric project or other grandiose scheme for itself. In the result, certain large-scale and all-India projects like inter-State canal and inland navigation, like adequate development of coastal and other shipping, tend to lag behind. Notwithstanding that there is a concentration of power in the Centre, there is also a great amount of resentment over even inevitable Central control. The unfortunate linguistic sub-division of the country has given rise to new problems and we are face to face with a problem which did not exist in its present form in the past, namely, the maintenance of an all-India point of view and an all-India policy to which even important local demands may have to be subordinated. The present lament over the rise of linguism, casteism and communalism is only one aspect of the unfortunate decline in an all-India outlook and country-wide policy and the rise of narrow local and regional patriotisms and claims to patronage and economic buttressing.

The aid that is now being granted by foreign countries to India for her planned development and the large-scale loan policy of India necessitated by the Five Year Plans are also tending to bring into existence a new group of specialists—economical, industrial and commercial—in whom a touching faith is reposed. The specialist, even in planning, has inevitably to be subordinated, as are experts in the military sphere, to ministerial and legislative control. One danger that has to be guarded against is that when the specialist is pre-occupied with his own views, he is apt to be antagonistic to competing claims and to lay criticism or control.

There is at the same time a tendency, as already stated, if anything goes wrong, to blame the specialists or

the Secretary of the department. Too often a growing plant is pulled up by the roots to see how it grows. It is not too much to say that, excepting the present Prime Minister, no Minister, Central or Provincial, can afford to acknowledge a mistake. He has to keep up the air of omniscience and the habit of blaming every one except himself. In this connection, the remark of a wise, though cynical, Frenchman may be borne in mind, namely, that while the specialist is a man who keeps on learning more and more about less and less till he ends by knowing everything about nothing, a politician is a man who keeps on learning less and less about more and more until he ends by knowing nothing about everything.

India is one of the few countries which, on attaining independence, inherited a highly organised Civil Service. That Civil Service was a bureaucracy as well as a governing corporation with vested interests and the problem now arises as to how to reconcile the ultimate and proper functioning of popular governments with the maintaining of the standards attained by that Civil Service. It is remarkable that the Civil Service, though not accustomed to serve under Parliamentary Government, is slowly but surely establishing wholesome precedents. The initial reaction of independent India and its legislatures was one of distrust and fear of the Civil Service which was designated as irresponsible, undemocratic or anti-national. Indian leaders, statesmen and legislators are now realising that a stable efficient satisfied and well-protected Civil Service is the most important prerequisite for ensuring peaceful and orderly progress. Such a Civil Service should be kept above partisan controversies and the introduction of party politics into its recruitment, organisation and the promotion from grade to grade. The Constitution of India has, to a certain extent, provided these safeguards and makes a proper distinction between the popular Government and the administration. The proper functioning of a Public Service Commission is necessary for ensuring security of tenure and the abolition of patronage and nepotism. The State of today is becoming more and more an industrial and commercial instrument and the State will be more and more judged by its capacity and

willingness to become a model employer, defining but also cherishing the prerogatives of the employees. Above all, Civil Service neutrality is the sheet-anchor of democratic administration and public servants should be encouraged never to identify themselves with any political, social or religious group or party. They should serve all Governments irrespective of their political complexion; and, as Lord Attlee has stated, the concept of Civil Service neutrality is one of the strongest bulwarks of democracy. A civil servant should therefore forego all direct or indirect participation in politics so long as he remains in public service.

It is an undoubted advantage that, without following the example of the United Kingdom, India can assent that the Spoils System has till now not been included in the credo of democratic politicians. Whether the future will bring about any removal of restrictions on the political activity of the Civil Service is a matter which will depend upon the future growth and development of political practice and political conventions in this country.

To sum up, India is now embarked on the path that is being trodden by so-called Welfare States but a great deal remains to be achieved before such a State can come into effective existence. Full employment, full-scale development of public health, of education and of social insurance are programmes to be intensively carried out and these programmes are full of financial implications which are simply staggering to contemplate. In the pursuit of these programmes both sound policy and effective administration are essential. Neither end can be subordinated to the other; but perhaps under the present conditions, the most important desideratum is the maintenance and development of proper administrative traditions and practices which will alone create an independent public service which will be well-equipped, self-reliant, detached and courageous and, will therefore be able to plan, to counsel and to warn but which will also realise its limitations and leave policies to the ultimate control of the political administrators working in conjunction with a vigilant and yet tolerant legislature.